



Treasurers Report.

April 2024 – March 2025

Contents

Introduction	3
Financial Outlook	3
Funding for Mayflower Way	4
Investment Opportunities.....	4
Annual Reflection: Overcoming Challenges and Celebrating Successes.....	5
Our focus in 2025/26 will be on:	6
Conclusion	6
Financial Statements (unaudited).....	7
Jargon buster Financial Summary.	14

Introduction

This report provides an overview of the organisation's finances for the year 2024/25, highlighting key activities, challenges, achievements, and future opportunities.

The year has been relatively quiet, mainly due to the continued suspension of the Mayflower Way project. However, this pause has allowed us to focus on dealing with the many challenges thrown up by our Swallows Gate properties, strengthening our financial position and actively exploring potential partnerships. These steps ensure we remain well prepared to resume Mayflower Way when the opportunity arises.

As noted in last year's report, it was not necessary to appoint an auditor for 2024/25. As a registered society, we may disapply Section 83 (duty to appoint auditors) if:

- the total value of assets at the end of the preceding year does not exceed £2.8m, and
- turnover for that year does not exceed £5.6m.

As both conditions were met in 2023/24, Section 83 was disapplied for 2024/25.

We will continue to use **A J Bennewith & Co Ltd.** as our accountants for 2025/26.

The following financial statements can be found at the end of this report:

- Swallows Gate P&L
- Mayflower Way P&L
- Swallows Gate Balance Sheet
- Mayflower Way Balance Sheet
- Combined Balance Sheet (Swallows Gate and Mayflower Way)

These provide:

- Balance Sheet – assets, liabilities, and net assets/equity
- Profit & Loss (P&L) – income, expenditure, and net surplus/deficit

No notable transactions occurred during the year.

For those who find financial statements, P&Ls, balance sheets, trial balances, deferred this and accrued that, about as clear as a conversation between two accountants at a cocktail party, relief is at hand. A jargon-free, human-friendly summary can be found at the end of this document, where "liquidity" once again just means "cash" and not a reason to phone your auditor!

Financial Outlook

As highlighted in the Chair's Report, the Swallows Gate project has encountered significant legal, regulatory, and financial challenges, all of which have placed considerable pressure on cash flow. This situation has been further compounded by ADC's inability to secure a tenant for one of our properties, despite it being available

since March 2025. We unapologetically regard ADC's performance in this matter as disappointing.

In the meantime, we will continue to maintain our investment portfolio with Flagstone until such time as the funds are required to progress the Mayflower Way project. Whilst Bank of England interest rates are expected to continue falling during the current financial year, it should be noted that, as with all CLTs, the borrowing rates applied to us remain considerably higher than those available for domestic lending.

However, we are actively exploring ways to mitigate these pressures. Discussions are underway to identify alternative routes to secure a tenant should ADC be unable to deliver within a reasonable timeframe. In parallel, we are reviewing financing options and potential partnership arrangements to ensure borrowing costs are kept as low as possible while maintaining financial resilience. The Board remains committed to progressing Mayflower Way in a financially responsible manner and will continue to monitor both the investment portfolio and project cash flow closely to safeguard the Trust's long-term sustainability.

Funding for Mayflower Way

We did not pursue further government grant applications during the year, as the National CLT Network (NCLTN) continues lobbying for new funding opportunities for all CLTs. With a new government in place with new priorities, progress at government level remains slow and uncertain, and we cannot realistically expect their support in the near to medium term.

Instead, we have focused on developing partnerships with Housing Associations and Registered Providers. While no agreements have yet been secured, constructive discussions have taken place. These organisations have access to significant government funding streams not available to CLTs, and they also carry greater influence with local authorities. Our role has been to support them in advancing the project.

We also understand that ADC holds substantial funds, likely derived from Section 106 agreements where developers provide commuted sums in lieu of building affordable housing. These funds may be available for projects such as Mayflower Way.

Investment Opportunities

The suspension of the Mayflower Way project has provided an opportunity to strengthen our financial position. During the year, we increased restricted funds on deposit with Flagstone to £410,076, up £27,336 from last year. A further £3,488.20 is ready for investment at an appropriate time.

Funds are typically spread across banks offering the most competitive interest rates, currently including:

-
- Nationwide
 - Standard Chartered
 - Hampden Bank
 - UBL

Most deposits are placed in three-month fixed-rate accounts (circa 3.9% gross), with one account requiring 35 days' notice. All investments are managed through CAF Bank Online, and interest earned remains tax-free due to our charitable status.

Annual Reflection: Overcoming Challenges and Celebrating Successes

The past year has been difficult both financially and operationally, particularly at Swallows Gate. Despite numerous challenges beyond our control, we have worked hard to remain financially on course. Careful stewardship of our finances has ensured that our financial position has not been compromised by these challenges.

The occupation of all five Swallows Gate properties by local families has been hampered by:

- Poor finishing by the builder,
- The builder having gone into administration,
- Breaches of building regulations,
- Boundary-related legal disputes, and
- An enforcement notice issued by ADC.

These issues have caused serious financial strain and required claims to the NHBC and the Government Inspector. This process has been complex and time-consuming. Special recognition is due to **Jan Welch** for her guidance, tenacity and the patience of Job in navigating NHBC procedures, which has been invaluable.

During 2024/25, we increased rents by 3%. While regrettable, this was necessary to balance financial sustainability with affordability. Even after the increase, rents remain at around 65% of open market value and below the Local Housing Allowance. This demonstrates our ongoing commitment to tenant welfare and reducing pressure on local councils. We will review rent levels again in 2025/26 to ensure they remain fair and sustainable.

The Mayflower Way project continues to face challenges, but we remain committed to delivering it. The scheme will directly benefit those with a local connection to Angmering, which lies at the core of our mission.

Importantly, the financial costs of our current projects and the CLT's general operations have had minimal impact on the wider community. We will continue to manage our finances responsibly to maintain this position.

Our focus in 2025/26 will be on:

- Resolving outstanding Swallows Gate issues to secure financial and operational stability.
- If possible, to continue to strengthen partnerships with Housing Associations and Registered Providers to unlock progress at Mayflower Way.
- Maintaining prudent investment and cash management strategies to safeguard reserves.
- Reviewing rent levels to balance affordability with sustainability.

Conclusion

Although 2024/25 has been challenging, the organisation has successfully maintained financial stability, upheld its commitment to affordable housing, and positioned itself to seize future opportunities. By combining resilience, partnership-building, and careful financial stewardship, we remain cautiously confident in our ability to deliver Mayflower Way and continue supporting the local community.

Finally, I would like to thank all **Board Members** and **volunteers** for their support throughout the year. As last year, particular gratitude goes to **Arthur Trehella**, ACLT's Deputy Treasurer, for his continued work on financial modelling and his rigorous review of our accounts. His contribution has been invaluable during this challenging financial year.



Financial Statements (unaudited)

For the year ending 31/03/2025

Contents

- Swallows Gate Properties
 - income and expenditure
 - balance sheet

- Mayflower Way Development
 - income and expenditure
 - balance sheet

- Combined balance sheet

Prepared by

A Trehwella

Trustee

01/04/2025

Income and expenditure

Swallows Gate

For the year ending 31st March

	2025	2024
	£	£
Income		
Interest Income	484	376
Rental income	42,703	41,664
Total Income	43,188	42,039
Expenditure		
Air Source Heat Pump Service	-12	1,785
Audit & Accountancy fees	213	658
Bank Fees	86	86
Equipment	149	0
Expenses	55	0
Gutter cleaning	225	0
Insurance	0	-224
Legal Expenses (Note 1a,1b)	1,800	1,000
Property Insurance	238	1,574
Repairs & Maintenance	1,210	0
Room hire	168	301
Site Management Fee (Note 2)	3,480	1,082
Subscriptions	546	129
Swallows Gate remedials (Note 3)	-3,674	571
Triodos interest payments	27,090	27,365
Triodos Capital repayments	4,987	5,048
Total Administrative Costs	36,561	39,374
Nett Income	6,626	2,665
Profit (Nett income + Triodos Capital repayments)	11,614	7,713

Notes (Exceptional items)

(1a) £1,000 for advice on site plan variations

(1b) £1,800 maximum drawdown facility agreed with MEV solicitors, Re advice: Outstanding planning conditions; 2. The position with NHBC re drainage remedials; 3. The transfer of the estate land to the management company. Included as a liability. No drawdown yet made.

(2) Includes £1,000 Drainage inspection fee

(3) £3,674 Excess of NHBC settlement above actual remedial costs

Income and Expenditure

Mayflower Way

For the year ended 31 March	2025	2024
Income		
Interest Income	15,950	7,225
Total Turnover	15,950	7,225
Expenditure		
Audit & Accountancy fees	213	934
Bank Fees	60	55
Consulting	0	-3,000
Insurance	0	407
Room hire	0	337
Subscriptions	0	219
Total Expenditure	273	-1,049
Nett Income (deficit)	15,677	8,273

Balance Sheet

Mayflower Way

As at 31 March	2025	2024
Fixed Assets		
Mayflower Way Groundworks	396,921	396,921
Total Fixed Assets	396,921	396,921
Current Assets		
Cash at bank and in hand		
CAF/ ADC CHF account	2,147	2,097
CAF/ ADC CS account	15,572	393,408
CAF/ Mayflower Way current account	176	172
Flagstones Savings Platform	391,573	0
Total Cash at bank and in hand	409,467	395,677
Flagstones unpaid interest	1,886	0
Total Current Assets	411,354	395,677
Unspent grants (reserved funds)		
Unspent ADC MW CHF grant	2,147	0
Unspent ADC MW Commuted Sum	407,133	0
Flagstones unpaid interest	1,886	0
Total unspent grants	411,166	0
Other creditors	0	0

Other debtors	0	0
Net Current Assets (Liabilities)	187	395,677
Total Assets (liabilities)	397,109	792,598

Combined Balance Sheet

As at 31 March	2025	2024
Fixed Assets		
Swallows Gate property	714,794	714,794
Mayflower Way Groundworks	396,921	396,921
Total Fixed Assets	1,111,715	1,111,715
Current Assets		
Cash at bank and in hand		
CAF/ Swallows Gate Current account	7,400	3,410
CAF/ Swallows Gate Reserve account	25,149	14,681
CAF/ ADC CHF account	2,146.71	2,096.56
CAF/ ADC CS account	15,571.75	393,408.47
CAF/ Mayflower Way current account	175.88	172.02
Flagstones Savings Platform	391,572.81	0.00
Total Cash at bank and in hand	442,015.53	413,767.42
Flagstones unpaid interest	1,886.47	0.00
Total Current Assets	443,902.00	413,767.42
Debtors (Money that we are owed)		
Accounts Receivable	0	753
Accrued outstanding NHBC claims	300	5,965
Total	300	6,718
Creditors: (money that we owe)		
Accounts Payable	0	386
Legal fees drawdown facility agreed with MEV	1,800	0
Total	1,800	386
Nett current assets	442,402	420,099
Outstanding Triodos loans		
Triodos Capital repayments loan 21864756	230,553	235,540
Triodos Interest only loan 21864764	243,248	243,248
Total	473,801	478,789
Unspent grants (reserved funds)*		
Unspent ADC MW CHF grant	2,146.71	0.00
Unspent ADC MW Commuted Sum	407,133.17	0.00
Flagstones unpaid interest	1,886.47	0.00
Total unspent grants	411,166.35	0.00

Net Asset value	669,150	1,053,026
------------------------	----------------	------------------

*Unspent grants in 2024-2025 have been treated as a debt that needs to be repaid if unspent

Jargon buster Financial Summary.

Here's a plain-English summary of each section of the financial statement (year ended 31 March 2025). It's stripped away the accounting jargon so it's easier to understand:

Swallows Gate – Income & Expenditure

- **Income:** Mostly rent (£42.7k) and a small amount of bank interest. Total income rose slightly from last year.
- **Costs:** Biggest expense is loan repayments and interest to Triodos Bank (about £32k). Other costs included site management, legal advice, repairs, and insurance.
- **Special items:** A positive adjustment (£3.7k) because insurance settlement money was more than the actual remedial works needed.
- **Bottom line:** After all costs, the project made about **£6.6k net income** (vs. £2.7k last year). Including loan repayments, the surplus looks stronger (£11.6k vs. £7.7k).

Swallows Gate – Balance Sheet

- **Property value:** £715k (unchanged).
- **Cash in bank:** £32.5k (up from £18k last year).
- **Money owed to us:** Only £300 (down from £6.7k).
- **Money we owe:** £1.8k (mainly a legal drawdown facility).
- **Loans outstanding:** £474k owed to Triodos Bank.
- **Net assets (overall value after debts):** **£272k** (up from £260k).

Mayflower Way – Income & Expenditure

- **Income:** £16k interest from investments (more than double last year).
- **Costs:** Very low this year (£273 total).
- **Bottom line:** Surplus of **£15.7k** (up from £8.3k last year).

Mayflower Way – Balance Sheet

- **Groundworks (fixed asset):** £397k (unchanged).
- **Cash in bank:** £409k (roughly stable).
- **Unpaid accrued interest:** £2k
- **Unspent grants:** £411k (money received but reserved for specific use).

-
- **Overall value after debts: £397k**, down from £793k last year, because the unspent grants are now shown as liabilities.

Combined Balance Sheet (Swallows Gate + Mayflower Way)

- **Total property & works:** £1.11m (same as last year).
- **Cash in bank:** £442k (up from £414k).
- **Unpaid accrued interest:** £2k
- **Money owed to us:** £300 (much less than last year).
- **Money we owe:** £1.8k (legal facility).
- **Loans:** £474k still owed to Triodos.
- **Unspent grants:** £411k ring-fenced.
- **Net assets (overall value after debts & grants): £669k** (down from £1.05m last year, mainly due to the treatment of unspent grants as liabilities).

In short:

- Swallows Gate is stable, earning rental income and gradually reducing its loans.
- Mayflower Way is cash-rich, but much of that money is tied up in grants that must be used for specific purposes.
- The group as a whole is in a solid position, though reported net assets fell this year because grant money is now shown as a liability until spent.